GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

STARRED QUESTION NO:150
ANSWERED ON:29.10.2008
ASSISTANCE SUBSIDY FOR STATE HIGHWAY PROJECTS
Gaikwad Shri Eknath Mahadeo;Khan Shri Mohammad Tahir

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Government proposes to provide assistance/subsidy for the construction of State Highway projects in the country;

(b) if so, the details of the assistance/subsidy provided during the last three years and the current year;

(c) the criteria fixed for allocation of such assistance/subsidy; and

(d) the extent to which States have been able to utilise the funds during the said period alongwith the targets achieved as a result thereof?

Answer

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R.BAALU)

(a) to (d) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 150 FOR ANSWER ON 29-10-2008 ASKED BY SHRI MOHD.TAHIR AND SHRI EKNATH M. GAIKWAD REGARDING ASSISTANCE/ SUBSIDY FOR STATE HIGHWAY PROJECTS

(a) to (d) Government of India is responsible for construction and maintenance of National Highways only. All roads other than National Highways are the responsibility of the concerned State Government/UTs. However, State Governments receive funds from the Central Road Fund for construction and maintenance of State roads including State Highways according to their share of accruals in the Central Road Fund Act, 2000. The details of the funds provided under Central Road Fund Act, 2000 is at Annexure-I.

The basis of allocation of funds for the improvement of State Highways and Major district roads are as under:

60% weightage is given for petrol and diesel consumption in the State.

40% weightage is given to the geographical area of the State.

Funds are also provided under the Centrally Sponsored Scheme for connecting Inter-State roads and roads of Economic Importance as per the criteria laid down in the Central Road Fund (State Roads) Rules, 2007, as under:

Under the Inter-State Connectivity (ISC) Schemes, funds are provided to the tune of 100% (i.e. it is fully financed).

Under the Economic Importance (EI) Scheme, funds are provided to the tune of 50% (i.e., fifty per cent financed) of the total requirement by the Central Government and balance 50% are met by the State Governments from their own resources.

The requisite details of allocation and expenditure of funds and targets achieved under Economic Importance and Inter State Connectivity Schemes are given in Annexure-II.